



**MARYLAND COMMISSIONER OF
FINANCIAL REGULATION
INDUSTRY ADVISORY
REGULATORY NOTICE**



July 1, 2021

**Income Tax – Subtraction Modification – First–Time Homebuyer Savings
Accounts**

During the 2021 session, the General Assembly passed House Bill 1178 (“Income Tax – Subtraction Modification – First–Time Homebuyer Savings Accounts”) which **becomes effective July 1, 2021**. Here is a link to the bill:

[Income Tax – Subtraction Modification – First–Time Homebuyer Savings Accounts](#)

The new law allows a taxpayer to designate an account they have with a financial institution as a first-time homebuyer savings account. However, although financial institutions may choose to offer such accounts to their customers, the new law does not require them to create or offer these types of accounts. If they do so offer such accounts, when such an account is established, the institution will be required to provide information to the account holder about homebuyer education and housing counseling program, as well as services provided by non-profit and government organizations that are certified by the U.S. Department of Housing and Urban Development and available to Maryland residents.

Contact

For questions about the responsibilities of financial institutions as described in this advisory, please contact Michelle A. Denoncourt, Assistant Commissioner - Corporate Activities by phone at (410) 230-6104 or by email at michelle.denoncourt@maryland.gov.

The Office of the Commissioner of Financial Regulation, a division of the Maryland Department of Labor, is Maryland's consumer financial protection agency and financial services regulator. For more information, please visit our website at www.labor.maryland.gov/finance.



Office of the Commissioner of Financial Regulation